

# SENATE BILL 693

R2  
SB 23/ISS11 – SRU

2lr1450  
CF 2lr0850

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By: **Senators Pipkin, Brinkley, Colburn, and Getty**

Introduced and read first time: February 3, 2012

Assigned to: Finance and Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Transportation Authority – Termination – Exchange of Bonds**

3 FOR the purpose of terminating the Maryland Transportation Authority; transferring,  
4 subject to certain exceptions, all functions, powers, duties, responsibilities,  
5 regulations, policies, property, equipment, assets, liabilities, and employees of  
6 the Authority to the Maryland Department of Transportation on a certain date;  
7 requiring the State to issue revenue refunding bonds in exchange for revenue  
8 bonds issued by the Authority before a certain date; requiring revenue  
9 refunding bonds to be secured by tolls or other charges for the use of  
10 transportation facilities projects; requiring the Department to fix, revise,  
11 charge, and collect tolls and other charges for the use of transportation facilities  
12 projects in an amount not greater than is necessary to pay the principal of and  
13 interest on refunding bonds issued by the State under this Act as they become  
14 due and payable; prohibiting the Department from fixing, revising, charging, or  
15 collecting tolls or other charges unless the toll or other charge is approved by  
16 the General Assembly through legislation enacted into law; providing for the  
17 appointment, classification, and benefits of employees transferred from the  
18 Authority to the Department under this Act; providing that all contracts and  
19 agreements entered into by the Authority before a certain date are valid and  
20 binding on the Department; requiring the publishers of the Annotated Code of  
21 Maryland to correct any references that are rendered incorrect by this Act;  
22 defining certain terms; and generally relating to the termination of the  
23 Authority and the exchange of bonds issued by the Authority.

24 BY repealing

25 Article – Transportation

26 Section 4–101 through 4–406 and the title “Title 4. Revenue Facilities”

27 Annotated Code of Maryland

28 (2008 Replacement Volume and 2011 Supplement)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
2 MARYLAND, That Section(s) 4–101 through 4–406 and the title “Title 4. Revenue  
3 Facilities” of Article – Transportation of the Annotated Code of Maryland be repealed.

4 SECTION 2. AND BE IT FURTHER ENACTED, That:

5 (a) (1) In this section the following words have the meanings indicated.

6 (2) “Authority” means the former Maryland Transportation Authority  
7 as it existed before October 1, 2012.

8 (3) “Department” means the Maryland Department of Transportation.

9 (4) “Refunding” means the retirement and cancellation of bonds,  
10 including revenue bonds of prior issues, after their acquisition by or for the Maryland  
11 Transportation Authority, whether before, at, or after maturity, either in exchange for  
12 other bonds or by payment, purchase, or redemption with the proceeds of the sale of  
13 other bonds.

14 (5) “Transportation facilities project” means:

15 (i) The Susquehanna River Bridge, the Harry W. Nice  
16 Memorial Potomac River Bridge, the William Preston Lane, Jr. Memorial Chesapeake  
17 Bay Bridge and parallel Chesapeake Bay Bridge, the Baltimore Harbor Tunnel, the  
18 Fort McHenry Tunnel, the Francis Scott Key Bridge, and the John F. Kennedy  
19 Memorial Highway, together with their appurtenant causeways, approaches,  
20 interchanges, entrance plazas, toll stations, and service facilities;

21 (ii) A vehicle parking facility located in a priority funding area  
22 as defined in § 5–7B–02 of the State Finance and Procurement Article;

23 (iii) Any other project for transportation facilities that the  
24 Authority authorized to be acquired or constructed; and

25 (iv) Any additions, improvements, or enlargements to any of  
26 these projects.

27 (b) Except as otherwise provided in this section, on October 1, 2012, all  
28 functions, powers, duties, responsibilities, regulations, policies, property, equipment,  
29 assets, liabilities, and employees of the Authority shall be transferred to the  
30 Department.

31 (c) (1) The State shall issue revenue refunding bonds constituting a  
32 pledge of the full faith and credit of the State in exchange for revenue bonds, notes, or  
33 other evidences of obligation issued by the Authority before October 1, 2012.

1           (2) Refunding bonds issued under this subsection shall be secured by  
2 rentals, rates, fees, tolls, or other charges for the use of transportation facilities  
3 projects as provided in subsection (d) of this section.

4           (d) (1) The Department may not fix, revise, charge, or collect a rental,  
5 rate, fee, toll, or other charge for the use of any transportation facilities project except  
6 as provided in this subsection.

7           (2) The Department shall fix, revise, charge, and collect rentals, rates,  
8 fees, tolls, or other charges for the use of transportation facilities projects in an  
9 amount not greater than is necessary to pay the principal of and interest on refunding  
10 bonds issued under subsection (c) of this section as they become due and payable.

11           (3) The Department may not fix, revise, charge, or collect a rental,  
12 rate, fee, toll, or other charge under this subsection unless the rental, rate, fee, toll, or  
13 other charge is approved by the General Assembly through legislation enacted into  
14 law.

15           (e) An employee of the Authority whose position is transferred to the  
16 Department under this Act shall be appointed without further examination or  
17 qualification. The employee shall be placed in a classification that is comparable in  
18 duties and responsibilities to the employee's former position. The employee may not  
19 suffer a diminution of salary or wages, accrued leave, whether earned or granted, or  
20 seniority rights.

21           (f) All contracts, agreements, grants, or other obligations entered into by the  
22 Authority before October 1, 2012, are hereby declared to be valid, legal, and binding  
23 obligations of the Department, enforceable in accordance with their terms.

24           (g) The publishers of the Annotated Code of Maryland, in consultation with  
25 and subject to the approval of the Department of Legislative Services, shall correct any  
26 agency names, titles, or other references throughout the Annotated Code that are  
27 rendered incorrect by this Act, with no further action required by the General  
28 Assembly. The publishers shall adequately describe any such correction in an editor's  
29 note following the section affected.

30           SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
31 October 1, 2012.